

26<sup>th</sup> May 2004

Senator E.P. Vibert,

Chairman,

Shadow Scrutiny Panel,

c/o Scrutiny Office,

Morier House,

St. Helier

JE1 1DD

Dear Senator,

### Review of Agri-Environment Scheme

Thank you for your letter of 4<sup>th</sup> May 2004 concerning the Scrutiny Panel's review of the agri-environment scheme. The Jersey Organic Association is pleased to have the opportunity to contribute to this review, and its comments are given below.

It is noted that the Scrutiny Panel has four main terms of reference, and the J.O.A. would like to comment on each of these as follows –

1. 'To review the policies to safeguard and enhance the environment....': The J.O.A. was one of those organisations that responded to the invitation in 2001 from the then Agriculture and Fisheries Committee to come forward with suggestions for a policy for agriculture. A copy of the Association's response is **attached** for your information.

The Agriculture and Fisheries Committee subsequently published a policy document that singled out the environment as a key element of its policy framework. The J.O.A. was pleased to note that the Committee wanted to support conversion to organic farming (para. 10.14 of the report), although there were other proposals in the J.O.A.'s submission that it would like to have seen incorporated in the final document. For example, the Association had recommended that greater emphasis should be given to developing the local market for agricultural produce, and that more financial support should be given in certain carefully targeted areas.

Despite these reservations, the view of the J.O.A. at the time was that the proposed agri-environment scheme was definitely a move in the right direction towards more environmentally-friendly farming, and it issued a press release to this effect on 9<sup>th</sup> January 2002 (copy **attached**).

2. 'To consider submissions to the Fundamental Spending Review....' The J.O.A. does not feel that it is in a position to make a detailed comment on this aspect of the Scrutiny Panel's review. However, the Association would like to express its disappointment that the agri-environment scheme did not receive funding in the FSR process, even though the States had agreed in principle on 26<sup>th</sup> July 2002 that additional funding of £700,000 should be made available to support the scheme in its first year of operation.
3. 'To make recommendations to the appropriate committees....': The J.O.A. believes that the submission that it made in 2001 is still relevant to the future of the agricultural industry. If the Scrutiny Panel is to be making recommendations to the relevant committees, then the J.O.A. hopes that its 2001 submission will be taken into account in this connection. The committee structure has of course changed in the committee structure since 2001, and the J.O.A.'s recommendations would now appear to relate most closely to the Economic Development Committee and the Environment and Public Services Committee.
4. 'To assess the consequences of non-implementation....' The non-implementation of the agri-environment scheme means that an opportunity has been lost to promote better farming practices and enhance the countryside. A particular area of concern for the Association has been the withdrawal of the subsidy to farmers wishing to convert to organic production. Converting to organic farming is a gradual process, and most farmers generally experience a drop in income during the two-year conversion period. Although those farmers who already receive this subsidy will continue to do so for the duration of their conversion period, no new funding is available to support new entrants to organic farming, nor to expand the land under cultivation of those who are already farming organically. This withdrawal of subsidy will make it increasingly difficult to expand the area of

land under organic cultivation.

I hope that the Association's comments will be useful to the Scrutiny Panel in carrying out its review. Given that the review is being conducted as part of a trial scrutiny programme, the Association would like to make just one observation in relation to the review process, and this concerns the short period of time that has been allowed for comments. The letter inviting comments was dated 4<sup>th</sup> May and comments have been requested by 28<sup>th</sup> May, allowing just over three weeks for this matter to be considered and for comments to be prepared. It is hoped that future scrutiny projects would allow more time for this process, and eight weeks is suggested as a more realistic time-scale.

Yours sincerely,

**S. Jones,**

**Publicity Officer,**

**Jersey Organic Association**

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### **2001 Submission to Agriculture and Fisheries Committee**

#### QUESTION 2:

How can these objectives best be achieved and what 'instruments'/ policies are needed from the States to help the industry achieve them?

The J.O.A. is of the view that it will be necessary to take a range of measures to achieve the desired objective of making Jersey completely organic.

These measures are described below –

#### **1. MARKETING – Investigating, developing and promoting the organic market.**

About 70 per cent of organic food consumed in the United Kingdom is imported from overseas, and Jersey is well-placed to take advantage of this market.

The local farming industry should aim to increase both the volume and the diversity of its produce. Too great a reliance has been placed on the Jersey Royal New Potato, even though the crop is subject to a great deal of competition from overseas. A more diverse product base will help the industry to weather the fluctuations of the market, and to reach a wider range of customers.

The Agriculture and Fisheries Committee could assist in this process by making resources available to investigate the market for organic products. This could be done in two ways –

- The Agriculture and Fisheries Department supporting market research, in consultation with farmers and industry representatives; and
- Making 'start-up' grants or loans available to enterprises in order to test the viability of new organic lines.

The J.O.A. could assist in this process by acting as an intermediary with the Soil Association and the H.D.R.A.

There has been discussion about the potential for 'adding value' to agricultural produce, e.g. by canning or freezing vegetables, or by packaging mixed salad crops. We believe that this is an area of the market that deserves further investigation, and should be given priority in any new marketing strategy.

Once a clearer idea had been gained about the nature of the organic market, the Agriculture and Fisheries Committee could direct its resources towards promoting organic produce. 'Jersey Fresh' could become 'Organic Jersey Fresh', and this would tie in well with the image of Jersey that is portrayed by Jersey Tourism, i.e. an Island that places great value upon its environment and natural assets. Indeed, it would be desirable to see the Tourism and the Agriculture and Fisheries Committees join forces on some of their advertising campaigns.

## **2. LOCAL FOOD FOR THE LOCAL MARKET**

At present, most of Jersey's agricultural produce is exported to the United Kingdom. However, the Jersey Organic Association is strongly of the view that greater efforts should be made to sell the produce to the local market. In a world with finite energy resources, it does seem wasteful that we should be using up valuable fuel and other resources to import so much of our food, especially when the Island is capable of producing food of the highest quality. There is of course nothing particularly unusual about our present pattern of commerce, but this does not mean that we should not attempt to market our goods locally. This could be achieved through a variety of means, e.g. by distribution through marketing organisations; by direct sales from farmers to retailers; and by 'box' schemes direct from the farmer to the customer.

Many local distribution networks are already in existence, and these have developed largely through personal contacts. In future the Agriculture and Fisheries Committee could assist in this process by acting as an information provider and co-ordinator, i.e. by holding information about the types of crops produced by the individual farmer; and about the types of crops wanted by the distribution agencies. The Committee could also provide advice about the various types of distribution methods.

## **3. SUBSIDIES**

The decision by the Agriculture and Fisheries Committee to introduce a subsidy to help farmers to convert to organic production was a very important step, and it has been of great practical benefit. It is fair to say that farmers generally have a drop in income during the two-year conversion period to organic production, and the present policy is to provide a subsidy over this period.

Converting to organic production is a gradual process, and in practice the whole process can take considerably more than two years – it can in fact take several years to restore the fertility to the land. It is recommended that the initial subsidy should be increased, and that the term of the subsidy should be extended from two to five years, with the amount gradually decreasing during the five-year term. This would give the farmer greater financial security and would assist in forward planning. It is also recommended that the subsidy should be refundable in the event that the farmer should eventually decide not to convert to organic production.

On a separate matter, consideration should also be given to subsidising the use of seaweed, as this is an excellent natural fertiliser.

## **4. TRAINING AND ADVICE**

It has been suggested that the smaller producer may have less of a place in Jersey's agricultural industry, but this is not a view shared by the Jersey Organic Association. In order to maintain the agricultural community, it is our view that the Agriculture and Fisheries Committee should be encouraging an environment which is supportive of those who wish to enter the industry. This can be done partly through giving greater publicity to the training opportunities that are available locally, and also by publicising some of the more specialised courses available outside the Island. The Committee could establish a bursary scheme for persons wishing to follow courses of study in the United Kingdom, e.g. short intensive courses on particular methods of organic production/ particular organic crops etc.

The industry is well-served by an expert team of staff at the Agriculture and Fisheries Department. However, it would be of great assistance if more of the advisory team were able to provide specialised advice on organic matters. The national offices of the Soil Association do not have the resources to provide specialised advice on a continuous basis, and in any event the best advice is often that which can take full account of the Island's local conditions.

## **5. THE INDUSTRY IN CONTEXT**

It is our view that a move to organic production will bring about many environmental benefits, including improved water quality, greater bio-diversity, and a more diverse range of natural habitats.

We also believe that the agricultural industry should look at ways in which it can benefit other sectors of the Island's economy, whilst at the same time bringing in additional sources of income. For example, some farms may have spare accommodation which could be adapted to provide high-quality bed and breakfast or self-catering accommodation. Other farms may have redundant farm sheds that could be made available on a short-term basis to the finance industry for the storage of files. Either of these options would bring in an additional source of income, and would thus provide greater financial security to the farmer.

There may be many other ways of creating additional income, and the J.O.A. does not claim to have all the answers! One way of identifying other income sources would be for the Agriculture and Fisheries Committee to arrange a series of meetings with representatives of the Island's other main industries (e.g. the Jersey Hospitality Association), and to ask them if they have any other suggestions.

May I take this opportunity to thank you for inviting us to participate in the consultation process. I look forward to meeting you in due course to discuss the above proposals.

Chairman,

Jersey Organic Association

## press release

### J.O.A. WELCOMES AGRICULTURE POLICY REPORT

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The Jersey Organic Association has welcomed the Agriculture and Fisheries Committee's Policy Report, which is due shortly to be considered by the States.

The J.O.A. is pleased to note that the Agriculture and Fisheries Committee has singled out the environment as a key element of its policy framework. One of the main proposals is that there should be an **Agri-Environment Scheme** that will provide farmers with a wide range of options to protect the environment, including measures to prevent pollution, encourage biodiversity, and enhance the landscape.

The Jersey Organic Association was established in 1987 with the objective of promoting and developing organic farming, and it is affiliated to the Soil Association. Although the Agri-Environment Scheme is not specifically designed to promote organic farming, it does aim to encourage less intensive farming practices, and in the Association's view this is an objective which should be supported. It considers that such an approach would be more in line with practices being adopted in other parts of the world, where there is a real shift being made away from direct payments to farms, towards payments which serve to protect the environment

Agriculture brings many benefits to the Island, although these cannot always be quantified in conventional economic terms. For example, agriculture provides many wildlife habitats, and it also helps to create a unique landscape which brings visitors to the Island. The Association is pleased that these factors are considered in some detail in the Policy Report, and that there are measures proposed in the Report which should help to preserve the Island's 'natural capital'. For example, assistance will be given to farmers in renovating hedgerows, and in providing access for the general public to farmland in appropriate areas.

The Association is also pleased that the Committee is willing to support conversion to organic farming (para. 10.14). A significant number of farmers have already converted to organic farming, or are in the process of conversion, and the Association believes that this number will continue to increase.

The Policy Report acknowledges that there is a need for effective and efficient marketing, especially in the light of

competition from other countries. The Association believes that marketing will continue to be high priority for the industry, and in this connection it considers that efforts should be made to develop the local market. In section 7.4 of the Policy Report it is acknowledged that improved marketing within the Island could lead to improved returns to producers, and the Association believes that this is an initiative which should be strongly supported. The social and environmental benefits of producing local food for the local market are manifold, and this would be entirely in keeping with the broader objectives of the Agri-Environment Scheme.

The report is being presented as a five year strategy, and it should be seen in this context rather than as a permanent framework for the future development of the industry. Circumstances will change over the next five years, and it will be necessary to review the policies for the industry during this period to see how they can be adapted to provide further support for a move towards more sustainable farming practices.

The Association believes that the Policy Report offers a positive way forward for the industry, and it hopes that it will be supported when it comes before the States.

*9<sup>th</sup> January 2002.*

*For further information please contact Brian Adair, J.O.A. Chairman, on tel. 510637*